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SENSITIVE
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STATE FOR NEA/ARP, EEB/ESC/LEC/ENR
ENERGY FOR HOLLY WILLIAMSON, JIM SLUTZ AND KATHARINE
FREDRIKSEN
COMMERCE FOR ITA THOFFMAN

E.O. 12958: N/A

TAGS: [ENRG](#) [ECON](#) [EINV](#) [PREL](#) [MU](#)

SUBJECT: OMAN CONSIDERING CLEAN COAL TECHNOLOGY FOR FUTURE
POWER PLANT

11. (SBU) Judd Swift, Deputy Assistant Secretary for International Affairs in the Office of Fossil Energy, Department of Energy (DoE), and Pol-Econ Chief met on March 23 with Mohammed al-Mahrouqi, Chairman of the Public Authority for Electricity and Water, to discuss Oman's future power generation needs. Also present were Saleh al-Rashdi, Acting CEO of the Oman Power and Water Procurement Company, and John Cunneen, Executive Director of the Authority for Electricity Regulation. Mahrouqi explained that although Oman had already tripled the capacity of its public power grid since 2000, it still needed to substantially boost electricity generation in order to meet a steady increase in anticipated energy demand. As a result, the government planned to add two new power generation facilities to the public grid by 2015. The first of these power plants, Mahrouqi stated, would enter service by 2010 or 2011 and have a capacity of between 700-1,000 MW. Given the need to move promptly to meet this schedule, the plant would be gas-fired as there was not sufficient time to explore alternative sources of fuel.

12. (SBU) Regarding the second proposed power facility, which would also produce up to 1,000 MW, Mahrouqi and Rashdi said that the government was very interested in clean coal technology to generate electricity and asked what the U.S. could offer in this area. DAS Swift responded by providing a comprehensive overview of the DoE's efforts to help improve the use of coal as a power source. He described techniques to capture carbon dioxide emissions from coal-fired plants, which could be used in Enhanced Oil Recovery (EOR) operations, and asked Oman to consider joining the Carbon Sequestration Leadership Forum. Finally, he invited Oman to send representatives to visit the National Energy Technology Laboratory (NETL) in Pennsylvania to learn more about coal technology, as well as tour an integrated gasification combined cycle (IGCC) power plant in Florida as a possible model for Oman's next generation of power facilities. Mahrouqi, Rashdi and Cunneen all expressed considerable interest in this and stated that they would follow-up with the Embassy to arrange a trip to the sites DAS Swift recommended.

13. (SBU) Directly following the meeting described above, DAS Swift and Pol-Econ Chief met with Khalifa bin Ali al-Hinai, Technical Advisor to the Minister of Oil and Gas. After discussing the status of Oman's oil production, DAS Swift described advances in the use of coal for power generation and highlighted the use of captured carbon dioxide from clean coal plants as an alternative to steam or water in EOR

operations. Hinai followed along closely and voiced his support for further looking into carbon capture as Oman considered its future electricity generation needs.

14. (U) Comment: Pol-Econ Chief received a letter from John Cunneen on April 5 officially accepting DAS Swift's invitation for an Omani delegation to visit the NETL in May. Post will work with DoE to coordinate and arrange a productive schedule for the trip. End Comment.
GRAPPO